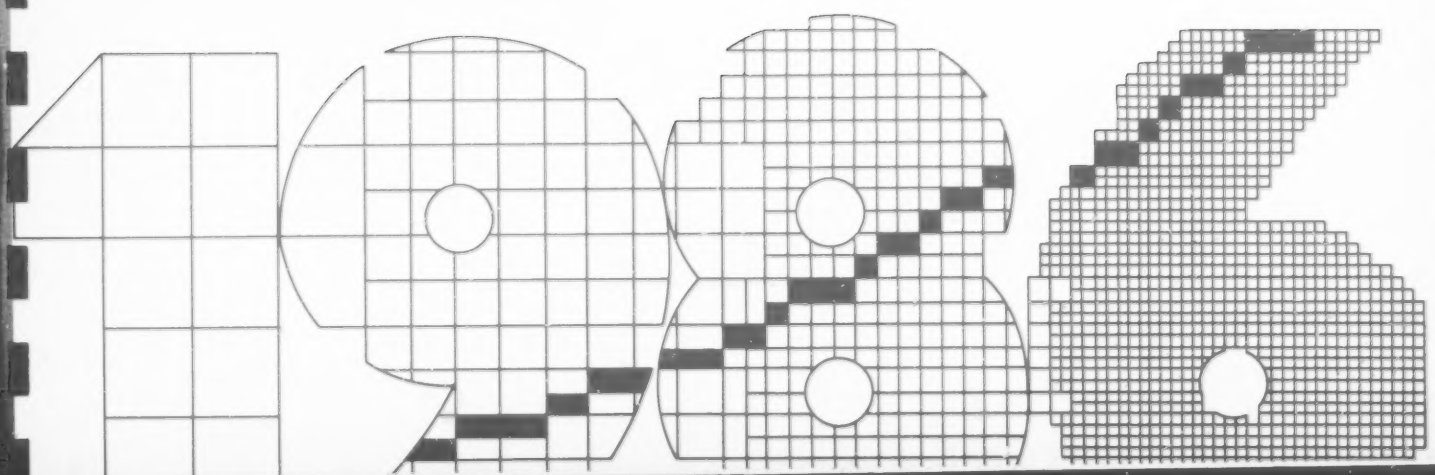
1986
Financial
Ratio
Study

Web Offset Printers
Heatset

PIA

Volume VI



63RD annual ratio study compiled from the operating statements and balance sheets submitted by representative members of the printing industry, and computed by RGS Enterprises, Inc., 1 Carlisle Drive, Arnold, Maryland 21012.

1986 FINANCIAL RATIOS

HEATSET WEB OFFSET

© 1986 by Printing Industries of America, Inc.

This material must not be reproduced in whole or in part in any form whatsoever without the express permission of

Member Programs Group
PRINTING INDUSTRIES OF AMERICA, INC.

1730 North Lynn Street
Arlington, Virginia 22209

Edited and Prepared by H. R. Margolis Company,
Certified Public Accountants
New York and Philadelphia (Bala Cynwyd)

Printed in U.S.A.

H. R. MARGOLIS COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES
PHILADELPHIA
NEW YORK

Dear Member of the Graphic Arts Community:

H. R. Margolis Company is pleased to have once again participated with PIA and the graphic arts community in compiling these financial ratios. In all, 979 graphic arts firms of various types took part in the 1986 study. This particular volume is the result of financial information contributed by 41 Non-Heatset Web Offset Printers across the United States and Canada.

To help readers compare their own financial statements to those of other firms, the data is presented here by sales volume - for example, sales to $1.5 million, sales from $1.5 to $5 million, etc.; and by product specialty - for example, Commercial and Advertising, Newspaper, etc. Readers can compare their firm's operations with other firms having the same sales volume or product specialty in five areas: Operations based on Value Added and its Supporting Schedules, Operations based on Sales and its Supporting Schedules, Balance Sheet Ratios, Significant Facts and Return on Investment.

The importance of sharing this type of information among members of the graphic arts community cannot be overemphasized. Such a comparative analysis enhances the health of both individual firms and the graphic arts industry as a whole. Consequently, we urge that all firms put these ratios to use in making effective and profitable financial decisions.

H. R. MARGOLIS COMPANY

PRINTING INDUSTRIES OF AMERICA, INC.

1730 North Lynn Street, Arlington, VA 22209 (703) 841-8100

1986 is the 63rd year in which Printing Industries of America, Inc. has collected and published detailed financial ratio information for members of the graphic arts community. The data presented each year provide a detailed and comprehensive picture of the financial status of the major segments of the graphic arts industries in the U.S. and Canada. It allows individual firms to compare their annual performance with that of many other similar firms, including those which earn well above-average profits. Ratio results are published annually. They are summarized as follows:

- Management Guide to the PIA Ratios
- All Printers by Sales Volume
- All Printers by Product Specialty
- All Printers by Geographic Area
- Sheetfed Printers by Size and Geographic Area
- Web Offset Printers — Heatset
- Web Offset Printers — Non-Heatset
- Combination Offset — Sheetfed/Web
- Book Manufacturers' Ratios
- Large Printers' Ratios
- Typographers' Ratios
- Preparatory Specialists' Ratios
- Binders' Ratios
- Quick Printers

For a more complete composite picture of your company's performance relative to the industry as a whole, several books could be used in your analysis, such as one of the overview volumes, e.g., *All Printers by Sales Volume*, and one that addresses your particular business segment or production process, e.g., *Book Manufacturers or Web Offset — Heatset*, respectively. Alternatively, such analysis is facilitated by participating in the Ratio Study each year and ordering an individual company computer printout which compares a participant's ratios to those of companies which are similar in size and sales volume, produce the same products, and use the same manufacturing process.

Table of Contents

	Page Number
FOREWORD	2
VALUE ADDED—WHAT IT MEANS TO YOU	4–5
CHAPTER 1—BY SIZE OF FIRM	6–19
Report on Operations - Value Added = 100%	6–7
Supporting Schedules - Value Added = 100%	8–9
Report on Operations - Sales = 100%	10–11
Supporting Schedules - Sales = 100%	10–13
Balance Sheet	14–15
Significant Facts	16–17
Return on Investment - Per $100 of Sales	18–19
CHAPTER 2—BY PRODUCT SPECIALTY	20–27
Report on Operations - Value Added = 100%	20
Supporting Schedules - Value Added = 100%	21
Report on Operations - Sales = 100%	22
Supporting Schedules - Sales = 100%	22–23
Balance Sheet	24
Significant Facts	25
Return on Investment - Per $100 of Sales	26
CHAPTER 3—BY PERCENTAGE OF PAPER SUPPLIED	27–40
Report on Operations - Value Added = 100%	27–28
Supporting Schedules - Value Added = 100%	29–30
Report on Operations - Sales = 100%	31–32
Supporting Schedules - Sales = 100%	31–34
Balance Sheet	35–36
Significant Facts	37–38
Return on Investment - Per $100 of Sales	39–40
ABSOLUTE DATA	41–42

Congratulations on partaking of the web offset ratio study program. I'm sure that as you review the wealth of information contained in the book that you will find it to be a very rewarding exercise.

In case you are not acquainted with Web Offset Section activities, we have a very active group. WOS produces a variety of reports dealing with heatset web offset printing. Two of the most widely used of these publications are the *Heatset Web Offset Directory*, listing most heatset web offset plants in the United States and Canada, and its companion volume, the *Web Offset Product Catalog*, which describes the primary products printed by the companies listed in the Directory.

Over 1,400 people attend our Annual Web Offset Conference each year, where they hear discussions and exchange information on the technology and problems unique to web offset production. Transcriptions of these sessions are also published by the Section in the form of the *Web Offset Proceedings*, and are available for the use of industry firms.

Our next annual meeting will be held May 18–20, 1987, at the Royal York Hotel, Toronto, Ontario. Additional information about our meeting and publications is available from the Web Offset Section.

Edward W. Hill, Jr.
Executive Director
Web Offset Section

VALUE ADDED DEFINED

Value added is a technical term for sales of a company's own manufacture. It is calculated as sales less material costs and outside services.

Sales		$100.00
Less: Materials		
Paper	$ 23.00	
Other chargeable materials	5.00	
Outside services	8.00	36.00
Value Added		$ 64.00

Material costs include paper and other chargeable materials such as ink, film, plates etc., but not general supplies or the repair and maintenance of equipment. Outside services are purchases of job-related services - composition, offset preparation, printing, bindery, etc.

Value added financial management is based on a fundamental principle of accounting: Profit is achieved from sales of a company's own manufacture. Time and time again, when printing companies show high sales but low profits, the root of the problem is in the failure to pay attention to the relationship between value added and profit performance.

VALUE ADDED AND PROFITS

Since value added is sales less material costs, it becomes a critical factor in paying your remaining expenses - expenses such as factory labor, other factory expenses, administrative expenses, selling expenses, and interest.

What is left is profit.

All sales do not contribute equally to fixed costs and profits. There are "good sales" and "better sales." Good sales are sales that require more than an average amount of materials and outside services. As a result, they have less value added with which to cover fixed costs and to produce a profit. They are called "good sales" simply because there are no "bad sales" in the printing industry.

Better sales require fewer materials and more inside sales - sales of your company's own manufacture. This type of sale generously covers overhead and pays more dollars into profits. Printing firms that follow value added financial management procedures do all work inside unless they cannot avoid sending it out.

A VALUE ADDED STATEMENT OF OPERATIONS

In keeping with the value added concept, operating statements are more meaningful when prepared on the basis of inside sales. In this type of statement presentation, management starts its financial analysis with value added instead of the sales column. This eliminates the distortion introduced by material costs. For example, in comparing percentages based on sales of a short-run, sheet-fed company and a web offset firm, we could be faced with a significant difference in ratios because of differences in material costs. Although it would appear that the web offset operation had a lower factory labor cost because a substantial amount of its sales were materials, this might, in fact, not be the case at all. Instead the factory labor cost could be more or less than its counterpart sheet-fed operation as it relates to the value added produced by this labor.

	COMPANY S SHEET-FED		COMPANY W WEB-FED	
		% OF SALES		% OF SALES
SALES	$1,000,000	100.00%	$1,000,000	100.00%
MATERIALS				
Paper	197,300	19.73	387,900	38.79
Other chargeable materials	42,800	4.28	35,000	3.50
Outside services	87,900	8.79	30,000	3.00
	328,000	32.80	452,900	45.29
		% OF VALUE ADDED		% OF VALUE ADDED
VALUE ADDED	672,000	100.00%	547,100	100.00%
FACTORY PAYROLL	241,800	35.98	177,500	32.44
FACTORY EXPENSES	121,800	18.13	101,300	18.52
	363,600	54.11	278,800	50.96
GROSS PROFIT	308,40	45.89	268,300	49.04
SELLING AND ADMINISTRATIVE EXPENSES	187,500	27.90	141,700	25.90
INCOME BEFORE INTEREST EXPENSE	120,900	17.99	126,600	23.14
Interest expense	18,300	2.72	7,900	1.44
OPERATING INCOME	102,600	15.27	118,700	21.70
Other income	10,200	1.52	16,200	2.96
INCOME BEFORE INCOME TAXES	$ 112,800	16.79%	$ 134,900	24.66%

The point is that every company's product mix is different, and by using statements of operations based on value added, this product mix difference is eliminated. Consequently, value added is a better statement with which to evaluate your operations.

CHAPTER 1 - BY SIZE OF FIRM

REPORT ON OPERATIONS - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES FROM $1.5 TO $5 MILLION**
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%
FACTORY PAYROLL	45.30	40.01	38.77
FACTORY EXPENSES	24.47	22.61	28.01
TOTAL FACTORY COST OF PRODUCT	69.77	62.62	66.78
GROSS PROFIT	30.23	37.38	33.22
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	10.46	8.97	14.08
Selling expenses	9.38	6.25	7.87
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	19.84	15.22	21.95
INCOME BEFORE INTEREST EXPENSE	10.39	22.16	11.27
Interest expense	3.82	2.56	6.60
OPERATING INCOME	6.57	19.60	4.67
Other income	1.35	2.11	0.78
INCOME BEFORE INCOME TAXES	7.92	21.71	5.45

* See page 10 for the definition of "Profit Leaders."
** Sample insufficient for Profit Leaders.

SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
X	X	X	X	X
X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%
44.43	47.92	44.69	45.16	40.26
25.13	23.13	20.56	24.46	23.19
69.56	71.05	65.25	69.62	63.45
30.44	28.95	34.75	30.38	36.55
12.58	11.38	9.07	8.98	8.37
10.11	11.11	3.18	8.56	6.03
22.69	22.49	12.25	17.54	14.40
7.75	6.46	22.50	12.84	22.15
3.38	4.04	0.59	3.57	2.11
4.37	2.42	21.91	9.27	20.04
1.04	1.33	0.54	1.52	2.01
5.41	3.75	22.45	10.79	22.05

CHAPTER 1 - BY SIZE OF FIRM

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES FROM $1.5 TO $5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	2.84%	2.38%	3.00%
Direct wages	27.74	24.19	23.57
General factory salaries and wages	4.74	4.74	2.94
Packing, shipping and delivery wages	1.76	1.41	3.02
Payroll taxes	3.01	2.57	3.37
Employee benefits	5.21	4.72	2.87
TOTAL FACTORY PAYROLL	45.30	40.01	38.77
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.46	0.32	0.23
Depreciation - other	6.75	6.42	7.83
Taxes - real estate	0.40	0.31	0.63
Taxes - other	0.47	0.26	0.08
Insurance	0.49	0.33	0.95
Building rent	1.08	1.18	2.64
Utilities - heat, light, etc.	3.11	2.77	2.50
Equipment rental	0.87	0.53	0.44
Total Fixed Expenses	13.63	12.12	15.30
Other Expenses			
Factory supplies and expense	4.18	4.11	2.50
Packing, shipping and delivery expense	1.97	1.76	6.27
Repairs and maintenance	2.92	2.73	2.56
Other factory expenses	1.77	1.89	1.38
Total Other Expenses	10.84	10.49	12.71
TOTAL FACTORY EXPENSES	24.47	22.61	28.01
ADMINISTRATIVE EXPENSES			
Salaries - executive	2.16	1.99	1.99
Salaries - office	2.27	1.51	3.31
Payroll taxes	0.32	0.24	0.68
Employee benefits	0.64	0.61	0.36
Bad debts	1.15	0.86	3.16
Office supplies and expenses	0.49	0.46	0.61
Professional fees	0.74	0.55	0.86
Taxes - business	0.06	0.06	0.15
Telephone	0.45	0.31	0.72
Other administrative expenses	2.18	2.38	2.24
TOTAL ADMINISTRATIVE EXPENSES	10.46	8.97	14.08
SELLING EXPENSES			
Salaries - executive	0.80	0.54	0.61
Salaries and commissions - salesmen	4.30	2.60	4.06
Salaries - sales office clerical	1.18	0.78	0.31
Payroll taxes	0.30	0.17	0.26
Employee benefits	0.47	0.27	0.27
Advertising	0.36	0.25	0.36
Travel and entertainment	0.95	0.49	1.65
Other selling expenses	1.02	1.15	0.35
TOTAL SELLING EXPENSES	9.38	6.25	7.87

** Sample insufficient for Profit Leaders.

SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
2.74%	2.76%	2.82%	2.90%	2.42%
29.17	29.47	29.89	27.00	23.56
2.97	5.00	3.86	5.38	5.13
2.00	1.32	1.01	1.73	1.54
3.47	3.24	3.03	2.72	2.48
4.08	6.13	4.08	5.43	5.13
44.43	47.92	44.69	45.16	40.26
0.46	0.41	0.13	0.51	0.38
7.72	5.61	4.74	6.80	6.77
0.32	0.34	0.12	0.43	0.36
0.52	0.72	0.61	0.40	0.18
0.44	0.55	0.36	0.42	0.33
1.05	1.54	4.84	0.72	0.62
3.26	2.95	1.95	3.20	3.05
0.44	1.61	0.56	0.74	0.43
14.21	13.73	13.31	13.22	12.12
4.55	3.32	0.49	4.63	4.70
1.62	1.13	0.26	1.98	2.10
3.57	2.60	2.71	2.88	2.69
1.18	2.35	3.79	1.75	1.58
10.92	9.40	7.25	11.24	11.07
25.13	23.13	20.56	24.46	23.19
3.01	2.48	3.01	1.77	1.78
2.89	2.41	0.82	1.91	1.61
0.43	0.33	0.15	0.24	0.22
0.72	0.81	0.51	0.56	0.66
1.74	1.22	1.80	0.71	0.33
0.70	0.46	0.18	0.43	0.52
0.62	1.02	1.40	0.64	0.39
0.07	0.07	0.09	0.04	0.03
0.51	0.58	0.28	0.33	0.33
1.89	2.00	0.83	2.35	2.50
12.58	11.38	9.07	8.98	8.37
0.68	1.05	0.26	0.76	0.54
5.19	5.10	2.00	3.68	2.28
0.79	1.50	0.10	1.27	0.85
0.38	0.38	0.10	0.25	0.13
0.35	0.80	0.20	0.38	0.28
0.47	0.39	0.12	0.31	0.12
1.14	1.02	0.32	0.78	0.50
1.11	0.87	0.08	1.13	1.33
10.11	11.11	3.18	8.56	6.03

CHAPTER 1 - BY SIZE OF FIRM

REPORT ON OPERATIONS - SALES = 100%

	ALL FIRMS REPORTING		SALES FROM $1.5 TO $5 MILLION**
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT			
MATERIALS			
Paper	35.02	32.43	33.29
Other chargeable materials	6.84	7.10	6.27
Outside services	5.23	7.39	4.64
TOTAL MATERIALS	47.09	46.92	44.20
FACTORY PAYROLL	24.07	21.36	21.85
FACTORY EXPENSES	12.91	12.09	15.44
TOTAL FACTORY COST OF PRODUCT	84.07	80.37	81.49
GROSS PROFIT	15.93	19.63	18.51
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	5.53	4.71	7.75
Selling expenses	4.97	3.32	4.63
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	10.50	8.03	12.38
INCOME BEFORE INTEREST EXPENSE	5.43	11.60	6.13
Interest expense	2.00	1.34	3.57
OPERATING INCOME	3.43	10.26	2.56
Other income	0.72	1.12	0.42
INCOME BEFORE INCOME TAXES	4.15	11.38	2.98

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS			
Ink	4.07%	4.90%	2.78%
Film	0.63	0.45	1.09
Plates	0.79	0.62	1.22
Other chargeable materials	1.35	1.13	1.18
TOTAL OTHER CHARGEABLE MATERIALS	6.84	7.10	6.27
OUTSIDE SERVICES			
Composition	0.26	0.17	0.93
Offset preparation	1.15	0.67	2.96
Printing	1.59	3.77	0.18
Binding	1.30	1.73	0.45
Other outside services	0.93	1.05	0.12
TOTAL OUTSIDE SERVICES	5.23	7.39	4.64

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Sample insufficient for Profit Leaders.

SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
100.00%	100.00%	100.00%	100.00%	100.00%
34.95	32.97	33.94	36.12	32.01
6.05	5.74	6.17	7.64	7.38
4.36	5.85	12.88	5.31	6.76
45.36	44.56	52.99	49.07	46.15
24.33	26.73	21.26	23.07	21.87
13.60	12.93	9.98	12.41	12.53
83.29	84.22	84.23	84.55	80.55
16.71	15.78	15.77	15.45	19.45
6.84	6.20	4.10	4.57	4.46
5.51	6.18	1.41	4.31	3.22
12.35	12.38	5.51	8.88	7.68
4.36	3.40	10.26	6.57	11.77
1.85	2.24	0.25	1.78	1.08
2.51	1.16	10.01	4.79	10.69
0.58	0.79	0.24	0.78	1.08
3.09	1.95	10.25	5.57	11.77

2.96%	2.70%	1.79%	5.13%	5.61%
0.86	0.63	0.38	0.51	0.47
0.82	0.98	0.37	0.67	0.67
1.41	1.43	3.63	1.33	0.63
6.05	5.74	6.17	7.64	7.38
0.34	0.26	0.41	0.15	0.15
1.45	1.14	1.40	0.82	0.62
0.70	1.12	2.71	2.31	4.13
0.94	2.22	5.32	1.10	1.01
0.93	1.11	3.04	0.93	0.85
4.36	5.85	12.88	5.31	6.76

SUPPORTING SCHEDULES - SALES = 100%

	ALL FIRMS REPORTING		SALES FROM $1.5 TO $5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	1.51%	1.23%	1.67%
Direct wages	14.71	12.83	13.43
General factory salaries and wages	2.52	2.59	1.68
Packing, shipping and delivery wages	0.92	0.71	1.60
Payroll taxes	1.62	1.41	1.86
Employee benefits	2.79	2.59	1.61
TOTAL FACTORY PAYROLL	24.07	21.36	21.85
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.24	0.17	0.12
Depreciation - other	3.54	3.37	4.35
Taxes - real estate	0.21	0.16	0.36
Taxes - other	0.25	0.13	0.04
Insurance	0.25	0.17	0.54
Building rent	0.56	0.63	1.47
Utilities - heat, light, etc.	1.64	1.45	1.39
Equipment rental	0.47	0.29	0.23
Total Fixed Expenses	7.16	6.37	8.50
Other Expenses			
Factory supplies and expense	2.23	2.23	1.43
Packing, shipping and delivery expense	1.03	1.01	3.26
Repairs and maintenance	1.53	1.36	1.48
Other factory expenses	0.96	1.12	0.77
Total Other Expenses	5.75	5.72	6.94
TOTAL FACTORY EXPENSES	12.91	12.09	15.44
ADMINISTRATIVE EXPENSES			
Salaries - executive	1.15	1.03	1.13
Salaries - office	1.21	0.82	1.74
Payroll taxes	0.17	0.13	0.36
Employee benefits	0.34	0.33	0.20
Bad debts	0.60	0.45	1.79
Office supplies and expenses	0.26	0.23	0.35
Professional fees	0.39	0.28	0.49
Taxes - business	0.03	0.03	0.08
Telephone	0.24	0.16	0.40
Other administrative expenses	1.14	1.25	1.21
TOTAL ADMINISTRATIVE EXPENSES	5.53	4.71	7.75
SELLING EXPENSES			
Salaries - executive	0.42	0.29	0.35
Salaries and commissions - salesmen	2.27	1.34	2.45
Salaries - sales office clerical	0.63	0.41	0.20
Payroll taxes	0.16	0.09	0.15
Employee benefits	0.25	0.14	0.16
Advertising	0.19	0.13	0.20
Travel and entertainment	0.50	0.25	0.91
Other selling expenses	0.55	0.67	0.21
TOTAL SELLING EXPENSES	4.97	3.32	4.63

** Sample insufficient for Profit Leaders.

SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
1.52%	1.52%	1.33%	1.48%	1.27%
15.95	16.38	14.28	13.74	12.70
1.60	2.85	1.79	2.76	2.86
1.10	0.72	0.43	0.87	0.79
1.91	1.81	1.45	1.42	1.40
2.25	3.45	1.98	2.80	2.85
24.33	26.73	21.26	23.07	21.87
0.24	0.24	0.05	0.26	0.20
4.17	3.12	2.27	3.41	3.58
0.18	0.20	0.05	0.21	0.19
0.28	0.40	0.30	0.20	0.09
0.24	0.30	0.15	0.21	0.17
0.56	0.80	2.51	0.36	0.34
1.78	1.64	0.92	1.63	1.61
0.23	0.90	0.24	0.38	0.25
7.68	7.60	6.49	6.66	6.43
2.48	1.90	0.22	2.37	2.55
0.85	0.65	0.11	1.02	1.21
1.94	1.47	1.26	1.42	1.34
0.65	1.31	1.90	0.94	1.00
5.92	5.33	3.49	5.75	6.10
13.60	12.93	9.98	12.41	12.53
1.61	1.37	1.33	0.90	0.96
1.57	1.32	0.36	0.98	0.89
0.23	0.18	0.06	0.12	0.12
0.40	0.45	0.22	0.29	0.37
0.95	0.64	0.89	0.35	0.16
0.39	0.26	0.08	0.21	0.26
0.34	0.56	0.64	0.31	0.20
0.04	0.04	0.04	0.02	0.02
0.28	0.32	0.12	0.17	0.17
1.03	1.06	0.36	1.22	1.31
6.84	6.20	4.10	4.57	4.46
0.36	0.58	0.14	0.38	0.29
2.83	2.83	0.84	1.80	1.17
0.44	0.84	0.05	0.65	0.45
0.21	0.21	0.05	0.13	0.07
0.19	0.45	0.09	0.20	0.15
0.25	0.22	0.06	0.16	0.06
0.61	0.57	0.14	0.39	0.26
0.62	0.48	0.04	0.60	0.77
5.51	6.18	1.41	4.31	3.22

CHAPTER 1 - BY SIZE OF FIRM

BALANCE SHEET

	ALL FIRMS REPORTING		SALES FROM $1.5 TO $5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
ASSETS			
CURRENT ASSETS			
Cash	3.64%	3.35%	3.01%
Receivables	28.97	25.92	38.86
Inventories	15.26	14.64	12.71
Other current assets	3.77	7.56	3.43
TOTAL CURRENT ASSETS	51.64	51.47	58.01
FIXED ASSETS			
Real estate	12.16	9.53	3.22
Less: Accumulated depreciation	3.96	2.23	0.47
	8.20	7.30	2.75
Machinery and equipment	70.57	61.98	79.76
Less: Accumulated depreciation	35.55	27.96	40.94
	35.02	34.02	38.82
Other fixed assets	3.31	2.19	0.78
Less: Accumulated depreciation	1.68	0.96	0.46
	1.63	1.23	0.32
NET FIXED ASSETS	44.85	42.55	41.89
OTHER ASSETS	3.51	5.98	0.10
TOTAL ASSETS	100.00	100.00	100.00
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Notes payable	10.60	4.58	13.39
Accounts payable	13.45	13.54	10.77
Other current liabilities	7.29	6.58	4.39
TOTAL CURRENT LIABILITIES	31.34	24.70	28.55
LONG-TERM LIABILITIES	27.16	23.70	36.93
TOTAL LIABILITIES	58.50	48.40	65.48
SHAREHOLDERS' AND PROPRIETORS' EQUITY	41.50	51.60	34.52
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.65	2.08	2.03
QUICK RATIO	1.16	1.49	1.59
TOTAL LIABILITIES TO EQUITY	1.41	0.94	1.90
LONG-TERM LIABILITIES TO EQUITY	0.65	0.46	1.07
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.50	0.45	0.51

** Sample insufficient for Profit Leaders.

SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
9.31%	1.75%	7.41%	2.69%	2.84%
28.51	28.88	25.70	28.10	25.70
16.83	18.80	43.24	13.49	10.12
3.81	3.73	1.83	3.81	8.69
58.46	53.16	78.18	48.09	47.35
14.49	12.44	15.15	12.25	8.38
5.94	3.59	1.77	3.86	2.26
8.55	8.85	3.38	8.39	6.12
79.47	62.77	29.63	70.06	69.57
53.08	30.30	12.53	31.55	31.01
26.39	32.47	17.10	38.51	38.56
4.50	4.87	2.55	2.53	1.95
2.33	2.64	1.87	1.20	0.77
2.17	2.23	0.68	1.33	1.18
37.11	43.55	21.16	48.23	45.86
4.43	3.29	0.66	3.68	6.79
100.00	100.00	100.00	100.00	100.00
10.65	18.08	1.72	7.05	2.55
12.91	14.99	26.97	13.23	11.12
6.88	8.23	7.06	7.34	6.57
30.44	41.30	35.75	27.62	20.24
29.19	25.11	12.00	26.34	24.04
59.63	66.41	47.75	53.96	44.28
40.37	33.59	52.25	46.04	55.72
100.00	100.00	100.00	100.00	100.00
1.92	1.29	2.19	1.74	2.34
1.37	0.83	0.98	1.25	1.84
1.48	1.98	0.91	1.17	0.79
0.72	0.75	0.23	0.57	0.43
0.67	0.48	0.42	0.45	0.45

CHAPTER 1 - BY SIZE OF FIRM

SIGNIFICANT FACTS

	ALL FIRMS REPORTING		SALES FROM $1.5 TO $5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT			
Average assets per employee - All employees	$ 64,434	$ 78,072	$ 52,541
Average assets per factory employee (Excluding Executives)	80,005	93,256	66,072
Average net worth per employee - All employees	27,001	40,371	14,141
Average gross plant investment per factory employee (Excluding Executives)	66,530	68,706	55,641
Net worth percentage of fixed assets	110.34%	148.77%	121.12%
EMPLOYEES			
Percent factory - All employees	84.74%	88.70%	84.12%
Percent administrative - All employees	7.99	6.69	10.96
Percent sales - All employees	7.27	4.61	4.92
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES			
Sales per employee - All employees	$ 109,452	$ 126,998	$ 85,201
Sales per factory employee	130,573	146,037	101,309
Sales less material per factory employee	67,037	72,801	56,240
Sales per administrative employee	1,746,653	2,594,122	1,673,434
EXCLUDING EXECUTIVES			
Sales per employee - All employees	116,796	134,484	92,469
Sales per factory employee	137,151	152,091	107,950
Sales less material per factory employee	70,449	75,756	59,889
SALES PER SALESMAN	2,373,954	4,180,588	1,212,413
SALES TO CURRENT ASSETS	374%	344%	340%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES			
Total payroll percentage of sales	30.66%	25.95%	28.60%
Factory payroll percentage of gross plant investment	55.00	50.33	50.95
Payroll per employee - All employees	$ 32,096	$ 30,723	$ 23,855
Payroll per factory employee	29,802	28,462	21,802
Payroll per administrative employee	38,364	46,435	24,776
Payroll per sales employee	57,886	61,649	39,273
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES			
Payroll per employee - All employees	$ 24,940	$ 23,627	$ 18,674
Payroll per factory employee	23,619	22,521	17,300
Payroll per administrative employee	19,261	18,594	15,570
Payroll per sales employee	48,434	47,674	32,787
EXECUTIVE PAYROLL			
Payroll per executive - All executives	57,461	60,998	52,628
Payroll per factory executive	44,286	45,843	48,189
Payroll per administrative executive	77,917	96,667	48,041
Payroll per sales executive	60,371	63,745	40,761
RECEIVABLES			
Collection period	61.1	60.0	76.8
PROFIT			
Gross profit percentage of sales	15.93%	19.63%	18.51%
Average gross profit per factory employee	$ 22,110	$ 29,241	$ 19,599
Income before taxes percentage of sales	4.15%	11.38%	2.98%
Average income before taxes per employee	$ 4,852	$ 13,930	$ 2,480

** Sample insufficient for Profit Leaders.

SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
$ 50,625	$ 55,354	$ 54,186	$ 74,125	$ 83,038
64,097	70,031	59,293	90,983	99,915
18,952	19,194	27,670	34,378	45,806
57,505	56,723	20,752	74,876	77,553
130.52%	103.42%	355.95%	105.63%	126.49%
82.17%	83.41%	93.73%	86.22%	88.28%
10.36	7.91	4.36	6.93	6.82
7.47	8.68	1.91	6.85	4.90
$ 90,618	$ 99,994	$ 87,995	$ 122,271	$ 136,329
111,271	121,376	95,150	143,974	157,425
60,922	66,392	43,511	70,467	78,581
1,004,298	1,710,263	4,571,835	2,011,070	2,401,433
97,796	107,048	92,760	129,803	144,254
117,415	127,573	99,044	150,851	164,097
64,372	69,733	45,263	73,871	81,844
1,013,499	1,283,240	1,898,369	3,461,777	4,795,478
368%	388%	264%	374%	362%
32.18%	34.96%	24.40%	28.53%	26.35%
54.89	73.70	95.12	47.38	44.55
$ 29,019	$ 34,558	$ 20,923	$ 32,920	$ 33,030
26,844	31,501	19,013	30,892	30,977
34,422	43,731	51,003	38,790	47,370
54,462	57,902	52,208	61,002	61,061
$ 22,799	$ 26,120	$ 15,975	$ 25,801	$ 25,313
21,585	24,412	15,440	24,619	24,362
18,551	19,928	14,583	19,603	19,504
49,274	46,534	39,258	50,674	46,101
45,379	66,740	50,165	57,890	65,343
34,267	52,078	32,674	43,744	49,887
57,382	89,910	99,409	82,621	101,929
25,794	65,400	21,049	71,530	71,654
55.6	57.6	52.8	62.7	59.4
16.71%	15.78%	15.77%	15.45%	19.45%
$ 20,118	$ 20,409	$ 16,784	$ 23,763	$ 30,963
3.09%	1.95%	10.25%	5.57%	11.77%
$ 2,934	$ 1,553	$ 9,434	$ 7,158	$ 15,144

CHAPTER 1 - BY SIZE OF FIRM

RETURN ON INVESTMENT - PER $100 OF SALES

	ALL FIRMS REPORTING		SALES FROM $1.5 TO $5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT			
Current Assets:			
Cash	$ 2.73	$ 2.04	$ 1.33
Receivables	16.11	15.84	20.61
Inventories	9.01	10.90	6.84
Marketable securities	0.87	1.77	1.25
Other current assets	1.47	3.60	0.53
	30.19	34.15	30.56
Plant Investment:			
Land and building	7.27	6.04	3.07
Machinery and equipment	40.67	38.32	45.59
Other fixed assets	1.78	1.42	0.45
	49.72	45.78	49.11
Non-Current Assets	2.23	3.80	0.10
TOTAL INVESTMENT	82.14	83.73	79.77
INVESTMENT TURNOVER PER $100 OF SALES	121.74%	119.43%	125.36%
EARNINGS			
Cost of Product	$84.07	$80.37	$81.49
Selling Expenses	4.97	3.32	4.63
Administrative Expenses	5.53	4.71	7.75
	94.57	88.40	93.87
Income Before Interest, Other Income, and Taxes	5.43	11.60	6.13
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	6.61%	13.85%	7.68%

** Sample insufficient for Profit Leaders.

SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
$ 8.74	$ 1.35	$ 3.68	$ 1.53	$ 1.86
14.37	15.14	13.36	16.59	15.87
8.85	12.15	40.56	7.93	6.17
0.48	1.24	0.00	0.80	2.21
1.60	0.92	0.66	1.77	4.06
34.04	30.80	58.26	28.62	30.17
7.92	7.53	1.85	7.40	5.33
40.91	35.38	18.87	42.37	42.64
2.50	2.29	1.76	1.46	1.23
51.33	45.20	22.48	51.23	49.20
2.26	2.20	0.53	2.46	4.26
87.63	78.20	81.27	82.31	83.63
114.12%	127.88%	123.05%	121.49%	119.57%
$83.29	$84.22	$84.23	$84.55	$80.55
5.51	6.18	1.41	4.31	3.22
6.84	6.20	4.10	4.57	4.46
95.64	96.60	89.74	93.43	88.23
4.36	3.40	10.26	6.57	11.77
4.98%	4.35%	12.62%	7.98%	14.07%

REPORT ON OPERATIONS - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%	100.00%
FACTORY PAYROLL	44.50	37.85	45.91	40.68
FACTORY EXPENSES	25.00	21.32	24.35	23.23
TOTAL FACTORY COST OF PRODUCT	69.50	59.17	70.26	63.91
GROSS PROFIT	30.50	40.83	29.74	36.09
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	10.58	8.94	10.10	8.78
Selling expenses	9.83	6.61	8.64	6.20
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	20.41	15.55	18.74	14.98
INCOME BEFORE INTEREST EXPENSE	10.09	25.28	11.00	21.11
Interest expense	4.21	1.89	3.80	3.40
OPERATING INCOME	5.88	23.39	7.20	17.71
Other income	1.12	2.23	1.67	2.61
INCOME BEFORE INCOME TAXES	7.00	25.62	8.87	20.32

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	2.86%	2.33%	2.95%	2.37%
Direct wages	27.77	23.68	27.39	24.27
General factory salaries and wages	4.11	4.50	5.86	5.31
Packing, shipping and delivery wages	1.98	1.65	1.32	0.67
Payroll taxes	2.82	1.88	3.15	2.91
Employee benefits	4.96	3.81	5.24	5.15
TOTAL FACTORY PAYROLL	44.50	37.85	45.91	40.68
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.46	0.35	0.48	0.38
Depreciation - other	7.19	6.50	6.41	6.72
Taxes - real estate	0.43	0.44	0.35	0.21
Taxes - other	0.45	0.20	0.43	0.23
Insurance	0.56	0.42	0.44	0.36
Building rent	1.16	0.74	0.64	0.42
Utilities - heat, light, etc.	3.10	3.16	3.19	2.53
Equipment rental	0.71	0.40	1.36	0.73
Total Fixed Expenses	14.06	12.21	13.30	11.58
Other Expenses				
Factory supplies and expense	3.93	4.01	4.59	4.67
Packing, shipping and delivery expense	2.40	0.99	1.58	2.44
Repairs and maintenance	3.31	4.10	2.43	1.99
Other factory expenses	1.30	0.01	2.45	2.55
Total Other Expenses	10.94	9.11	11.05	11.65
TOTAL FACTORY EXPENSES	25.00	21.32	24.35	23.23
ADMINISTRATIVE EXPENSES				
Salaries - executive	2.49	2.90	1.57	1.63
Salaries - office	2.46	1.46	2.06	1.49
Payroll taxes	0.35	0.16	0.29	0.28
Employee benefits	0.58	0.71	0.69	0.64
Bad debts	0.77	0.75	1.70	0.82
Office supplies and expenses	0.54	0.47	0.49	0.52
Professional fees	0.78	0.81	0.53	0.38
Taxes - business	0.05	0.03	0.06	0.09
Telephone	0.52	0.42	0.37	0.27
Other administrative expenses	2.04	1.23	2.34	2.66
TOTAL ADMINISTRATIVE EXPENSES	10.58	8.94	10.10	8.78
SELLING EXPENSES				
Salaries - executive	0.85	0.59	0.71	0.58
Salaries and commissions - salesmen	5.14	3.08	2.98	1.72
Salaries - sales office clerical	0.94	0.77	1.38	0.95
Payroll taxes	0.31	0.14	0.31	0.23
Employee benefits	0.42	0.22	0.57	0.35
Advertising	0.31	0.21	0.36	0.32
Travel and entertainment	0.98	0.64	0.99	0.51
Other selling expenses	0.88	0.96	1.34	1.54
TOTAL SELLING EXPENSES	9.83	6.61	8.64	6.20

REPORT ON OPERATIONS - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT				
MATERIALS				
Paper	37.04	41.42	32.89	27.56
Other chargeable materials	6.88	7.83	7.49	7.15
Outside services	5.40	8.49	4.68	6.03
TOTAL MATERIALS	49.32	57.74	45.06	40.74
FACTORY PAYROLL	22.76	15.93	25.09	24.26
FACTORY EXPENSES	12.59	9.08	13.45	13.79
TOTAL FACTORY COST OF PRODUCT	84.67	82.75	83.60	78.79
GROSS PROFIT	15.33	17.25	16.40	21.21
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	5.40	3.87	5.46	5.01
Selling expenses	5.07	2.79	4.64	3.67
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	10.47	6.66	10.10	8.68
INCOME BEFORE INTEREST EXPENSE	4.86	10.59	6.30	12.53
Interest expense	2.14	0.81	2.05	1.88
OPERATING INCOME	2.72	9.78	4.25	10.65
Other income	0.56	1.01	0.91	1.51
INCOME BEFORE INCOME TAXES	3.28	10.79	5.16	12.16

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS				
Ink	4.36%	5.92%	4.11%	4.93%
Film	0.61	0.09	0.76	0.85
Plates	0.71	0.39	0.93	0.87
Other chargeable materials	1.20	1.43	1.69	0.50
TOTAL OTHER CHARGEABLE MATERIALS	6.88	7.83	7.49	7.15
OUTSIDE SERVICES				
Composition	0.39	0.47	0.16	0.03
Offset preparation	1.33	0.66	0.89	0.46
Printing	1.25	4.74	1.81	3.94
Binding	1.48	1.89	1.15	0.79
Other outside services	0.95	0.73	0.67	0.81
TOTAL OUTSIDE SERVICES	5.40	8.49	4.68	6.03

SUPPORTING SCHEDULES - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	1.46%	0.99%	1.62%	1.34%
Direct wages	14.21	9.91	14.91	14.47
General factory salaries and wages	2.07	1.87	3.23	3.27
Packing, shipping and delivery wages	1.00	0.69	0.70	0.35
Payroll taxes	1.46	0.82	1.75	1.74
Employee benefits	2.56	1.65	2.88	3.09
TOTAL FACTORY PAYROLL	22.76	15.93	25.09	24.26
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.22	0.15	0.27	0.23
Depreciation - other	3.60	2.69	3.50	3.93
Taxes - real estate	0.22	0.19	0.19	0.13
Taxes - other	0.23	0.08	0.24	0.13
Insurance	0.28	0.18	0.23	0.20
Building rent	0.60	0.35	0.35	0.26
Utilities - heat, light, etc.	1.57	1.34	1.75	1.50
Equipment rental	0.35	0.18	0.77	0.43
Total Fixed Expenses	7.07	5.16	7.30	6.81
Other Expenses				
Factory supplies and expense	1.97	1.70	2.57	2.81
Packing, shipping and delivery expense	1.19	0.42	0.91	1.49
Repairs and maintenance	1.67	1.79	1.31	1.11
Other factory expenses	0.69	0.01	1.36	1.57
Total Other Expenses	5.52	3.92	6.15	6.98
TOTAL FACTORY EXPENSES	12.59	9.08	13.45	13.79
ADMINISTRATIVE EXPENSES				
Salaries - executive	1.27	1.34	0.87	0.95
Salaries - office	1.26	0.61	1.13	0.91
Payroll taxes	0.18	0.07	0.16	0.17
Employee benefits	0.29	0.29	0.38	0.40
Bad debts	0.40	0.31	0.88	0.48
Office supplies and expenses	0.27	0.18	0.27	0.28
Professional fees	0.39	0.35	0.30	0.22
Taxes - business	0.03	0.01	0.04	0.05
Telephone	0.27	0.18	0.20	0.16
Other administrative expenses	1.04	0.53	1.23	1.39
TOTAL ADMINISTRATIVE EXPENSES	5.40	3.87	5.46	5.01
SELLING EXPENSES				
Salaries - executive	0.42	0.26	0.38	0.35
Salaries and commissions - salesmen	2.68	1.26	1.58	0.98
Salaries - sales office clerical	0.48	0.35	0.74	0.54
Payroll taxes	0.16	0.06	0.16	0.13
Employee benefits	0.22	0.10	0.31	0.20
Advertising	0.16	0.08	0.19	0.19
Travel and entertainment	0.50	0.26	0.53	0.30
Other selling expenses	0.45	0.42	0.75	0.98
TOTAL SELLING EXPENSES	5.07	2.79	4.64	3.67

BALANCE SHEET

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
ASSETS				
CURRENT ASSETS				
Cash	4.18%	2.50%	2.54%	4.34%
Receivables	30.71	31.35	27.55	23.23
Inventories	15.47	13.53	12.87	9.45
Other current assets	2.42	1.40	5.76	13.23
TOTAL CURRENT ASSETS	52.78	48.78	48.72	50.25
FIXED ASSETS				
Real estate	10.64	7.31	13.96	13.29
Less: Accumulated depreciation	3.70	2.36	3.69	2.70
	6.94	4.95	10.27	10.59
Machinery and equipment	71.10	62.09	68.72	65.13
Less: Accumulated depreciation	36.53	24.88	31.78	31.17
	34.57	37.21	36.94	33.96
Other fixed assets	3.45	2.21	2.86	1.98
Less: Accumulated depreciation	1.89	1.08	1.18	0.69
	1.56	1.13	1.68	1.29
NET FIXED ASSETS	43.07	43.29	48.89	45.84
OTHER ASSETS	4.15	7.93	2.39	3.91
TOTAL ASSETS	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	12.46	1.84	10.03	7.43
Accounts payable	13.48	17.35	12.00	8.03
Other current liabilities	7.50	6.56	7.48	7.45
TOTAL CURRENT LIABILITIES	33.44	25.75	29.51	22.91
LONG-TERM LIABILITIES	29.34	20.64	26.73	30.50
TOTAL LIABILITIES	62.78	46.39	56.24	53.41
SHAREHOLDERS' AND PROPRIETORS' EQUITY	37.22	53.61	43.76	46.59
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.58	1.89	1.65	2.19
QUICK RATIO	1.12	1.37	1.21	1.78
TOTAL LIABILITIES TO EQUITY	1.69	0.87	1.29	1.15
LONG-TERM LIABILITIES TO EQUITY	0.79	0.39	0.61	0.65
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.51	0.40	0.46	0.48

SIGNIFICANT FACTS

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Average assets per employee - All employees	$ 69,029	$ 102,733	$ 58,331	$ 60,486
Average assets per factory employee (Excluding Executives)	86,310	123,297	70,868	69,638
Average net worth per employee - All employees	26,193	53,283	26,335	27,129
Average gross plant investment per factory employee (Excluding Executives)	70,715	89,001	60,467	56,048
Net worth percentage of fixed assets	102.98%	129.64%	93.19%	107.04%
EMPLOYEES				
Percent factory - All employees	83.54%	86.95%	86.79%	90.66%
Percent administrative - All employees	8.81	7.56	7.03	5.71
Percent sales - All employees	7.65	5.49	6.18	3.63
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES				
Sales per employee - All employees	$ 118,881	$ 187,294	$ 98,975	$ 92,246
Sales per factory employee	143,303	215,820	114,734	102,100
Sales less material per factory employee	70,759	89,856	61,154	59,197
Sales per administrative employee	1,616,859	2,528,488	1,785,318	2,186,539
EXCLUDING EXECUTIVES				
Sales per employee - All employees	127,173	198,848	105,438	97,438
Sales per factory employee	150,564	224,571	120,869	106,138
Sales less material per factory employee	74,398	93,443	64,431	61,424
SALES PER SALESMAN	1,977,327	2,937,397	3,383,541	5,361,514
SALES TO CURRENT ASSETS	369%	413%	390%	320%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES				
Total payroll percentage of sales	29.73%	20.25%	30.81%	28.89%
Factory payroll percentage of gross plant investment	53.01	48.80	58.48	46.96
Payroll per employee - All employees	$ 33,573	$ 37,160	$ 29,814	$ 26,011
Payroll per factory employee	30,881	33,957	28,092	24,016
Payroll per administrative employee	38,541	51,791	36,240	43,417
Payroll per sales employee	63,887	71,496	52,571	56,571
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES				
Payroll per employee - All employees	$ 26,225	$ 28,967	$ 23,116	$ 19,484
Payroll per factory employee	24,616	27,755	22,328	18,585
Payroll per administrative employee	19,756	19,116	18,196	17,878
Payroll per sales employee	56,165	64,277	39,689	37,215
EXECUTIVE PAYROLL				
Payroll per executive - All executives	61,026	84,710	53,010	49,393
Payroll per factory executive	44,205	59,599	43,598	37,734
Payroll per administrative executive	79,232	132,553	77,030	80,739
Payroll per sales executive	59,542	64,630	68,074	73,865
RECEIVABLES				
Collection period	63.1	61.0	59.0	57.9
PROFIT				
Gross profit percentage of sales	15.33%	17.25%	16.40%	21.21%
Average gross profit per factory employee	$ 23,551	$ 37,603	$ 19,241	$ 22,304
Income before taxes percentage of sales	3.28%	10.79%	5.16%	12.16%
Average income before taxes per employee	$ 4,602	$ 19,674	$ 4,923	$ 10,836

RETURN ON INVESTMENT - PER $100 OF SALES

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Current Assets:				
Cash	$ 3.53	$ 0.93	$ 1.55	$ 2.85
Receivables	16.73	16.25	15.44	15.27
Inventories	8.63	7.03	7.16	6.31
Marketable securities	0.39	0.13	1.08	3.24
Other current assets	0.89	0.55	2.74	6.35
	30.17	24.89	27.97	34.02
Plant Investment:				
Land and building	6.32	3.71	8.60	9.00
Machinery and equipment	40.19	32.80	40.48	42.30
Other fixed assets	1.93	1.12	1.39	1.38
	48.44	37.63	50.47	52.68
Non-Current Assets	2.67	4.84	1.49	2.57
TOTAL INVESTMENT	81.28	67.36	79.93	89.27
INVESTMENT TURNOVER PER $100 OF SALES	123.03%	148.46%	125.11%	112.02%
EARNINGS				
Cost of Product	$84.67	$82.75	$83.60	$78.79
Selling Expenses	5.07	2.79	4.64	3.67
Administrative Expenses	5.40	3.87	5.46	5.01
	95.14	89.41	93.70	87.47
Income Before Interest, Other Income, and Taxes	4.86	10.59	6.30	12.53
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	5.98%	15.72%	7.88%	14.04%

CHAPTER 3 - BY PERCENTAGE OF PAPER SUPPLIED

REPORT ON OPERATIONS - VALUE ADDED = 100%

	0% TO 11%		11% TO 21%	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%	100.00%
FACTORY PAYROLL	43.58	45.85	48.93	38.16
FACTORY EXPENSES	23.70	21.23	24.85	24.89
TOTAL FACTORY COST OF PRODUCT	67.28	67.08	73.78	63.05
GROSS PROFIT	32.72	32.92	26.22	36.95
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	11.00	6.30	10.40	10.53
Selling expenses	10.11	5.77	9.85	6.67
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	21.11	12.07	20.25	17.20
INCOME BEFORE INTEREST EXPENSE	11.61	20.85	5.97	19.75
Interest expense	3.90	2.89	3.83	1.86
OPERATING INCOME	7.71	17.96	2.14	17.89
Other income	0.91	1.20	1.48	1.29
INCOME BEFORE INCOME TAXES	8.62	19.16	3.62	19.18

** Sample insufficient for Profit Leaders.

21% TO 41%		41% TO 61%**	OVER 61%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
X	X	X	X	X
X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%
45.69	35.17	46.82	43.68	43.55
27.38	30.83	26.16	20.83	19.26
73.07	66.00	72.98	64.51	62.81
26.93	34.00	27.02	35.49	37.19
8.23	8.97	10.90	9.63	9.03
10.21	5.68	5.44	7.98	4.59
18.44	14.65	16.34	17.61	13.62
8.49	19.35	10.68	17.88	23.57
3.87	2.83	4.89	2.44	0.81
4.62	16.52	5.79	15.44	22.76
2.07	5.14	1.70	0.56	0.91
6.69	21.66	7.49	16.00	23.67

CHAPTER 3 - BY PERCENTAGE OF PAPER SUPPLIED

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	0% TO 11%		11% TO 21%	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	2.60%	2.30%	4.14%	3.94%
Direct wages	27.85	30.76	26.09	13.98
General factory salaries and wages	4.59	3.02	6.26	7.50
Packing, shipping and delivery wages	1.35	1.18	2.08	3.76
Payroll taxes	2.76	3.22	3.47	2.53
Employee benefits	4.43	5.37	6.89	6.45
TOTAL FACTORY PAYROLL	43.58	45.85	48.93	38.16
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.51	0.54	0.36	0.22
Depreciation - other	6.22	7.01	7.51	5.73
Taxes - real estate	0.33	0.29	0.49	0.40
Taxes - other	0.47	0.32	0.28	0.05
Insurance	0.44	0.42	0.32	0.16
Building rent	1.73	3.32	0.33	0.45
Utilities - heat, light, etc.	2.72	2.69	3.51	2.93
Equipment rental	0.76	0.29	0.71	1.56
Total Fixed Expenses	13.18	14.88	13.51	11.50
Other Expenses				
Factory supplies and expense	4.00	2.83	4.92	8.11
Packing, shipping and delivery expense	2.27	0.55	1.00	1.95
Repairs and maintenance	2.70	2.67	2.83	1.06
Other factory expenses	1.55	0.30	2.59	2.27
Total Other Expenses	10.52	6.35	11.34	13.39
TOTAL FACTORY EXPENSES	23.70	21.23	24.85	24.89
ADMINISTRATIVE EXPENSES				
Salaries - executive	2.48	0.89	1.49	1.65
Salaries - office	2.61	1.20	2.34	2.04
Payroll taxes	0.33	0.16	0.29	0.30
Employee benefits	0.65	0.63	0.78	0.72
Bad debts	0.89	0.98	1.75	0.71
Office supplies and expenses	0.64	0.47	0.36	0.49
Professional fees	0.89	0.55	0.61	0.32
Taxes - business	0.06	0.06	0.02	0.05
Telephone	0.51	0.27	0.41	0.18
Other administrative expenses	1.94	1.09	2.35	4.07
TOTAL ADMINISTRATIVE EXPENSES	11.00	6.30	10.40	10.53
SELLING EXPENSES				
Salaries - executive	1.00	0.49	0.96	0.78
Salaries and commissions - salesmen	4.67	2.24	4.71	4.91
Salaries - sales office clerical	1.38	1.01	1.06	0.18
Payroll taxes	0.34	0.17	0.31	0.06
Employee benefits	0.51	0.29	0.66	0.38
Advertising	0.39	0.24	0.32	0.00
Travel and entertainment	1.06	0.57	1.00	0.36
Other selling expenses	0.76	0.76	0.83	0.00
TOTAL SELLING EXPENSES	10.11	5.77	9.85	6.67

** Sample insufficient for Profit Leaders.

21% TO 41%		41% TO 61%**	OVER 61%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
2.49%	2.06%	2.32%	3.23%	1.98%
26.64	21.03	28.09	27.13	30.58
5.54	3.10	5.59	3.76	2.89
2.04	1.00	1.51	1.00	0.68
3.30	2.38	3.35	3.28	3.18
5.68	5.60	5.96	5.28	4.24
45.69	35.17	46.82	43.68	43.55
0.51	0.36	0.71	0.43	0.40
6.86	7.43	5.96	5.48	6.33
0.46	0.33	0.34	0.45	0.28
0.35	0.17	0.72	0.16	0.27
0.41	0.51	0.50	0.33	0.22
1.04	1.19	0.27	0.65	0.81
3.84	2.69	3.42	3.51	3.19
1.33	0.38	1.84	1.24	0.02
14.80	13.06	13.76	12.25	11.52
4.16	3.13	4.64	4.71	4.28
2.30	6.08	2.89	0.95	0.57
3.01	3.68	3.09	2.17	1.98
3.11	4.88	1.78	0.75	0.91
12.58	17.77	12.40	8.58	7.74
27.38	30.83	26.16	20.83	19.26
2.05	3.84	1.67	2.32	1.39
1.95	1.53	2.31	1.28	1.31
0.30	0.32	0.27	0.28	0.19
0.45	0.43	0.75	0.72	0.68
1.08	0.13	1.28	0.34	0.04
0.28	0.31	0.59	0.47	0.57
0.64	0.80	0.47	0.38	0.22
0.03	0.06	0.02	0.02	0.00
0.31	0.39	0.51	0.36	0.18
1.14	1.16	3.03	3.46	4.45
8.23	8.97	10.90	9.63	9.03
0.85	0.93	0.18	0.34	0.12
3.06	0.65	2.79	2.46	0.63
2.41	1.87	0.63	1.48	0.53
0.41	0.20	0.12	0.27	0.11
0.53	0.35	0.22	0.39	0.12
0.41	0.06	0.18	0.23	0.13
1.10	0.32	0.62	0.73	0.27
1.44	1.30	0.70	2.08	2.68
10.21	5.68	5.44	7.98	4.59

CHAPTER 3 - BY PERCENTAGE OF PAPER SUPPLIED

REPORT ON OPERATIONS - SALES = 100%

	0% TO 11%		11% TO 21%	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT				
MATERIALS				
Paper	38.28	38.93	36.34	30.54
Other chargeable materials	5.74	6.36	6.87	5.06
Outside services	5.38	8.68	3.52	3.96
TOTAL MATERIALS	49.40	53.97	46.73	39.56
FACTORY PAYROLL	22.07	21.30	25.97	23.11
FACTORY EXPENSES	11.97	9.99	13.32	15.11
TOTAL FACTORY COST OF PRODUCT	83.44	85.26	86.02	77.78
GROSS PROFIT	16.56	14.74	13.98	22.22
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	5.64	2.85	5.51	6.31
Selling expenses	5.21	2.49	5.20	3.99
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	10.85	5.34	10.71	10.30
INCOME BEFORE INTEREST EXPENSE	5.71	9.40	3.27	11.92
Interest expense	1.96	1.31	1.99	1.12
OPERATING INCOME	3.75	8.09	1.28	10.80
Other income	0.46	0.53	0.77	0.80
INCOME BEFORE INCOME TAXES	4.21	8.62	2.05	11.60

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS				
Ink	3.30%	3.70%	3.89%	3.20%
Film	0.75	0.62	0.59	0.55
Plates	0.70	0.55	0.93	0.97
Other chargeable materials	0.99	1.49	1.46	0.34
TOTAL OTHER CHARGEABLE MATERIALS	5.74	6.36	6.87	5.06
OUTSIDE SERVICES				
Composition	0.38	0.23	0.04	0.00
Offset preparation	0.98	1.23	0.65	0.56
Printing	1.38	1.79	0.48	0.19
Binding	1.54	3.32	1.40	1.41
Other outside services	1.10	2.11	0.95	1.80
TOTAL OUTSIDE SERVICES	5.38	8.68	3.52	3.96

** Sample insufficient for Profit Leaders.

21% TO 41%		41% TO 61%**	OVER 61%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
100.00%	100.00%	100.00%	100.00%	100.00%
34.00	30.43	26.82	21.06	17.45
8.01	6.72	7.82	8.25	9.04
5.56	5.61	4.54	8.84	11.84
47.57	42.76	39.18	38.15	38.33
23.75	20.20	28.50	27.22	27.27
14.44	17.85	15.96	12.76	11.69
85.76	80.81	83.64	78.13	77.29
14.24	19.19	16.36	21.87	22.71
4.27	5.02	6.63	5.67	5.05
5.20	3.19	3.30	5.07	3.02
9.47	8.21	9.93	10.74	8.07
4.77	10.98	6.43	11.13	14.64
2.01	1.61	2.97	1.50	0.44
2.76	9.37	3.46	9.63	14.20
1.18	2.95	1.07	0.31	0.49
3.94	12.32	4.53	9.94	14.69
5.32%	4.47%	4.19%	6.39%	7.35%
0.28	0.53	0.62	0.63	0.70
0.75	0.94	0.95	0.57	0.39
1.66	0.78	2.06	0.66	0.60
8.01	6.72	7.82	8.25	9.04
0.35	0.00	0.00	0.11	0.07
1.78	1.51	2.53	0.28	0.08
1.48	2.54	1.18	6.76	10.50
1.22	1.40	0.52	0.41	0.48
0.73	0.16	0.31	1.28	0.71
5.56	5.61	4.54	8.84	11.84

SUPPORTING SCHEDULES - SALES = 100%

	0% TO 11%		11% TO 21%	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	1.33%	1.13%	2.23%	2.41%
Direct wages	14.08	14.29	13.77	8.44
General factory salaries and wages	2.32	1.36	3.32	4.59
Packing, shipping and delivery wages	0.68	0.52	1.13	2.22
Payroll taxes	1.41	1.49	1.87	1.53
Employee benefits	2.25	2.51	3.65	3.92
TOTAL FACTORY PAYROLL	22.07	21.30	25.97	23.11
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.25	0.23	0.19	0.14
Depreciation - other	3.14	3.19	4.01	3.48
Taxes - real estate	0.16	0.12	0.27	0.24
Taxes - other	0.24	0.16	0.15	0.03
Insurance	0.22	0.19	0.17	0.10
Building rent	0.90	1.70	0.16	0.26
Utilities - heat, light, etc.	1.37	1.20	1.87	1.76
Equipment rental	0.38	0.14	0.41	0.96
Total Fixed Expenses	6.66	6.93	7.23	6.97
Other Expenses				
Factory supplies and expense	2.02	1.22	2.67	4.95
Packing, shipping and delivery expense	1.11	0.22	0.53	1.18
Repairs and maintenance	1.36	1.24	1.47	0.63
Other factory expenses	0.82	0.38	1.42	1.38
Total Other Expenses	5.31	3.06	6.09	8.14
TOTAL FACTORY EXPENSES	11.97	9.99	13.32	15.11
ADMINISTRATIVE EXPENSES				
Salaries - executive	1.28	0.42	0.81	1.00
Salaries - office	1.34	0.51	1.23	1.22
Payroll taxes	0.17	0.07	0.16	0.18
Employee benefits	0.33	0.26	0.41	0.44
Bad debts	0.46	0.48	0.90	0.44
Office supplies and expenses	0.33	0.21	0.20	0.30
Professional fees	0.45	0.27	0.32	0.20
Taxes - business	0.03	0.03	0.01	0.03
Telephone	0.27	0.12	0.22	0.11
Other administrative expenses	0.98	0.48	1.25	2.39
TOTAL ADMINISTRATIVE EXPENSES	5.64	2.85	5.51	6.31
SELLING EXPENSES				
Salaries - executive	0.51	0.22	0.50	0.48
Salaries and commissions - salesmen	2.42	0.89	2.50	2.91
Salaries - sales office clerical	0.70	0.46	0.56	0.11
Payroll taxes	0.18	0.08	0.17	0.04
Employee benefits	0.27	0.14	0.35	0.23
Advertising	0.20	0.10	0.16	0.00
Travel and entertainment	0.54	0.25	0.52	0.22
Other selling expenses	0.39	0.35	0.44	0.00
TOTAL SELLING EXPENSES	5.21	2.49	5.20	3.99

** Sample insufficient for Profit Leaders.

21% TO 41%		41% TO 61%**	OVER 61%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
1.32%	1.16%	1.43%	1.91%	1.08%
13.89	12.10	17.03	16.99	19.27
2.82	1.79	3.49	2.37	1.86
1.03	0.55	0.91	0.58	0.36
1.72	1.36	2.04	2.05	1.99
2.97	3.24	3.60	3.32	2.71
23.75	20.20	28.50	27.22	27.27
0.26	0.21	0.43	0.27	0.25
3.62	4.35	3.63	3.34	3.82
0.24	0.19	0.20	0.28	0.18
0.18	0.10	0.45	0.09	0.14
0.22	0.29	0.30	0.20	0.13
0.54	0.62	0.16	0.41	0.52
1.97	1.50	2.08	2.14	1.93
0.64	0.20	1.14	0.76	0.01
7.67	7.46	8.39	7.49	6.98
2.12	1.70	2.84	2.92	2.66
1.38	3.71	1.73	0.58	0.33
1.54	1.96	1.88	1.29	1.14
1.73	3.02	1.12	0.48	0.58
6.77	10.39	7.57	5.27	4.71
14.44	17.85	15.96	12.76	11.69
1.06	2.10	1.01	1.40	0.79
1.02	0.88	1.41	0.83	0.87
0.16	0.19	0.17	0.18	0.13
0.24	0.25	0.45	0.48	0.47
0.52	0.06	0.75	0.21	0.03
0.15	0.19	0.37	0.26	0.29
0.34	0.44	0.29	0.23	0.13
0.02	0.04	0.01	0.01	0.00
0.17	0.23	0.32	0.23	0.11
0.59	0.64	1.85	1.84	2.23
4.27	5.02	6.63	5.67	5.05
0.44	0.52	0.11	0.22	0.08
1.54	0.36	1.68	1.52	0.36
1.25	1.07	0.39	0.91	0.33
0.21	0.11	0.07	0.17	0.06
0.27	0.21	0.14	0.24	0.08
0.21	0.03	0.11	0.15	0.09
0.55	0.18	0.38	0.47	0.18
0.73	0.71	0.42	1.39	1.84
5.20	3.19	3.30	5.07	3.02

CHAPTER 3 - BY PERCENTAGE OF PAPER SUPPLIED

BALANCE SHEET

	0% TO 11%		11% TO 21%	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
ASSETS				
CURRENT ASSETS				
Cash	1.60%	0.37%	1.29%	7.13%
Receivables	30.03	21.02	27.33	24.92
Inventories	20.65	35.44	12.19	8.28
Other current assets	2.59	4.58	1.11	0.42
TOTAL CURRENT ASSETS	54.87	61.41	41.92	40.75
FIXED ASSETS				
Real estate	11.48	8.51	12.15	6.29
Less: Accumulated depreciation	3.53	1.75	3.71	1.25
	7.95	6.76	8.44	5.04
Machinery and equipment	62.95	50.41	84.80	71.27
Less: Accumulated depreciation	33.27	25.99	39.82	29.82
	29.68	24.42	44.98	41.45
Other fixed assets	4.19	0.99	2.49	1.69
Less: Accumulated depreciation	2.15	0.84	1.79	0.62
	2.04	0.15	0.70	1.07
NET FIXED ASSETS	39.67	31.33	54.12	47.56
OTHER ASSETS	5.46	7.26	3.96	11.69
TOTAL ASSETS	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	10.18	2.11	18.28	4.36
Accounts payable	16.20	23.07	10.32	7.03
Other current liabilities	6.91	5.11	6.83	4.80
TOTAL CURRENT LIABILITIES	33.29	30.29	35.43	16.19
LONG-TERM LIABILITIES	28.38	21.08	21.29	17.01
TOTAL LIABILITIES	61.67	51.37	56.72	33.20
SHAREHOLDERS' AND PROPRIETORS' EQUITY	38.33	48.63	43.28	66.80
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.65	2.03	1.18	2.52
QUICK RATIO	1.03	0.86	0.84	2.01
TOTAL LIABILITIES TO EQUITY	1.61	1.06	1.31	0.50
LONG-TERM LIABILITIES TO EQUITY	0.74	0.43	0.49	0.25
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.53	0.52	0.47	0.42

** Sample insufficient for Profit Leaders.

21% TO 41%		41% TO 61%**	OVER 61%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
4.02%	8.12%	2.63%	1.36%	1.40%
28.02	24.09	27.20	25.10	20.58
14.06	11.11	12.33	9.49	7.50
3.20	8.31	2.11	13.12	21.51
49.30	51.63	44.27	49.07	50.99
9.05	5.57	19.25	14.49	9.64
2.55	2.61	4.82	6.11	2.23
6.50	2.96	14.43	8.38	7.41
70.49	72.63	69.62	73.05	70.79
29.13	31.55	32.96	34.28	32.57
41.36	41.08	36.66	38.77	38.22
3.31	4.86	1.74	4.14	1.87
1.33	2.29	0.75	1.82	0.48
1.98	2.57	0.99	2.32	1.39
49.84	46.61	52.08	49.47	47.02
0.86	1.76	3.65	1.46	1.99
100.00	100.00	100.00	100.00	100.00
10.55	4.17	7.49	6.82	2.12
16.08	11.44	12.91	9.55	6.29
8.00	9.59	9.43	7.49	7.25
34.63	25.20	29.83	23.86	15.66
24.63	21.89	37.80	22.34	17.92
59.26	47.09	67.63	46.20	33.58
40.74	52.91	32.37	53.80	66.42
100.00	100.00	100.00	100.00	100.00
1.42	2.05	1.48	2.06	3.26
1.02	1.61	1.07	1.66	2.78
1.45	0.89	2.09	0.86	0.51
0.60	0.41	1.17	0.42	0.27
0.41	0.43	0.47	0.47	0.46

CHAPTER 3 - BY PERCENTAGE OF PAPER SUPPLIED

SIGNIFICANT FACTS

	0% TO 11%		11% TO 21%	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Average assets per employee - All employees	$ 61,435	$ 97,858	$ 67,816	$ 73,651
Average assets per factory employee (Excluding Executives)	76,551	112,124	86,680	100,700
Average net worth per employee - All employees	25,999	50,963	29,796	54,837
Average gross plant investment per factory employee (Excluding Executives)	59,149	72,323	82,351	78,670
Net worth percentage of fixed assets	123.22%	265.15%	80.29%	141.48%
EMPLOYEES				
Percent factory - All employees	82.94%	91.18%	84.62%	83.54%
Percent administrative - All employees	8.34	4.66	8.05	10.10
Percent sales - All employees	8.72	4.16	7.33	6.36
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES				
Sales per employee - All employees	$ 110,484	$ 140,299	$ 113,295	$ 116,266
Sales per factory employee	134,056	158,514	136,260	149,588
Sales less material per factory employee	66,626	68,213	71,061	89,438
Sales per administrative employee	1,846,369	4,395,241	1,757,010	1,342,272
EXCLUDING EXECUTIVES				
Sales per employee - All employees	117,091	144,570	123,183	124,320
Sales per factory employee	139,415	162,044	146,918	158,727
Sales less material per factory employee	69,401	69,894	76,632	94,918
SALES PER SALESMAN	2,071,412	4,214,774	1,692,258	1,212,500
SALES TO CURRENT ASSETS	369%	256%	427%	395%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES				
Total payroll percentage of sales	29.27%	24.36%	32.65%	29.71%
Factory payroll percentage of gross plant investment	58.74	56.02	47.12	46.26
Payroll per employee - All employees	$ 31,496	$ 32,186	$ 36,232	$ 34,619
Payroll per factory employee	28,847	30,155	34,320	32,891
Payroll per administrative employee	39,598	46,864	35,970	36,905
Payroll per sales employee	54,954	67,136	68,372	108,083
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES				
Payroll per employee - All employees	$ 24,761	$ 25,178	$ 27,266	$ 25,902
Payroll per factory employee	23,306	23,957	26,012	24,206
Payroll per administrative employee	20,751	20,526	19,764	16,461
Payroll per sales employee	45,437	55,780	50,844	55,503
EXECUTIVE PAYROLL				
Payroll per executive - All executives	62,358	67,430	53,784	53,898
Payroll per factory executive	42,065	53,296	46,633	45,146
Payroll per administrative executive	84,019	99,846	68,293	97,122
Payroll per sales executive	70,986	74,559	73,785	122,444
RECEIVABLES				
Collection period	59.9	59.9	60.7	59.5
PROFIT				
Gross profit percentage of sales	16.56%	14.74%	13.98%	22.22%
Average gross profit per factory employee	$ 23,321	$ 25,359	$ 20,945	$ 38,922
Income before taxes percentage of sales	4.21%	8.62%	2.05%	11.60%
Average income before taxes per employee	$ 5,141	$ 12,509	$ 2,060	$ 13,317

** Sample insufficient for Profit Leaders.

21% TO 41%		41% TO 61%**	OVER 61%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
$ 73,067	$ 66,141	$ 54,221	$ 56,595	$ 57,326
97,201	80,414	63,623	68,167	62,878
31,734	35,833	16,315	28,982	38,043
79,883	68,355	54,862	59,380	52,096
76.33%	116.67%	69.60%	118.90%	153.36%
82.40%	85.60%	88.19%	88.79%	93.96%
7.13	7.33	8.16	5.36	4.08
10.47	7.07	3.65	5.85	1.96
$ 122,694	$ 122,577	$ 87,432	$ 89,554	$ 90,170
154,104	143,932	99,469	101,536	95,836
79,774	80,039	60,152	61,642	56,995
1,767,873	1,684,030	1,075,242	2,415,048	3,210,641
130,849	130,418	91,177	96,595	94,152
162,844	149,254	102,486	107,889	99,267
84,316	83,036	62,018	65,386	58,807
3,428,807	5,531,037	3,688,823	4,234,729	6,675,554
381%	391%	402%	364%	330%
29.95%	25.88%	33.95%	33.19%	30.44%
51.32	43.47	58.11	51.87	53.44
$ 34,776	$ 31,042	$ 29,251	$ 28,719	$ 25,860
32,986	27,855	27,695	26,555	24,677
42,400	61,702	31,972	52,413	55,340
43,598	38,479	64,273	35,765	27,518
$ 26,449	$ 21,045	$ 22,667	$ 21,471	$ 20,131
25,898	20,653	21,697	20,303	19,860
18,273	18,518	18,142	18,157	18,567
34,894	28,509	59,164	30,163	22,581
60,779	85,751	51,082	50,872	52,825
39,958	49,317	31,542	42,091	43,673
114,295	164,933	64,840	79,282	91,390
72,463	60,823	30,986	32,936	22,367
61.4	52.3	60.5	57.0	48.3
14.24%	19.19%	16.36%	21.87%	22.71%
$ 26,657	$ 29,412	$ 17,220	$ 23,472	$ 21,985
3.94%	12.32%	4.53%	9.94%	14.69%
$ 5,518	$ 15,026	$ 4,327	$ 8,603	$ 12,607

RETURN ON INVESTMENT - PER $100 OF SALES

	0% TO 11%		11% TO 21%	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Current Assets:				
Cash	$ 1.13	$ 0.56	$ 0.71	$ 4.42
Receivables	15.75	15.47	15.80	15.77
Inventories	12.48	32.33	7.63	5.15
Marketable securities	0.11	0.00	0.44	0.00
Other current assets	1.30	3.36	0.24	0.27
	30.77	51.72	24.82	25.61
Plant Investment:				
Land and building	6.19	5.55	7.88	3.90
Machinery and equipment	34.06	36.67	50.27	44.91
Other fixed assets	2.20	0.95	1.35	1.08
	42.45	43.17	59.50	49.89
Non-Current Assets	3.14	4.41	2.92	7.41
TOTAL INVESTMENT	76.36	99.30	87.24	82.91
INVESTMENT TURNOVER PER $100 OF SALES	130.96%	100.70%	114.63%	120.61%
EARNINGS				
Cost of Product	$83.44	$85.26	$86.02	$77.78
Selling Expenses	5.21	2.49	5.20	3.99
Administrative Expenses	5.64	2.85	5.51	6.31
	94.29	90.60	96.73	88.08
Income Before Interest, Other Income, and Taxes	5.71	9.40	3.27	11.92
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	7.48%	9.47%	3.75%	14.38%

** Sample insufficient for Profit Leaders.

21% TO 41%		41% TO 61%**	OVER 61%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
$ 2.46	$ 5.42	$ 1.71	$ 1.01	$ 1.08
16.20	13.89	15.69	15.09	13.05
7.70	6.00	7.28	6.06	5.02
0.75	2.25	0.53	3.66	6.09
1.30	3.25	0.74	6.19	10.05
28.41	30.81	25.95	32.01	35.29
5.94	3.23	10.91	8.31	6.65
41.99	40.22	40.78	44.39	45.07
2.03	2.89	1.07	2.02	1.34
49.96	46.34	52.76	54.72	53.06
0.49	0.85	2.21	1.15	1.54
78.86	78.00	80.92	87.88	89.89
126.81%	128.21%	123.58%	113.79%	111.25%
$85.76	$80.81	$83.64	$78.13	$77.29
5.20	3.19	3.30	5.07	3.02
4.27	5.02	6.63	5.67	5.05
95.23	89.02	93.57	88.87	85.36
4.77	10.98	6.43	11.13	14.64
6.05%	14.08%	7.95%	12.66%	16.29%

ABSOLUTE DATA

	NUMBER OF PARTICIPATING FIRMS	AVERAGE FIRM REPORTING** TOTAL ASSETS	SALES OR VALUE OF PRODUCTION	TOTAL INCOME
TOTAL - ALL FIRMS	69	$19,583,000	$32,238,000	$1,965,000
TOTAL - PROFIT LEADERS*	15	38,038,000	61,500,000	7,033,000
BY SIZE OF FIRM				
ALL FIRMS				
$1,500,000-$5,000,000	4	2,381,000	3,990,000	96,000
$5,000,000-$10,000,000	13	4,399,000	7,605,000	225,000
$10,000,000-$20,000,000	16	8,628,000	15,398,000	212,000
Over $20,000,000	36	31,847,000	51,757,000	3,579,000
PROFIT LEADERS				
$10,000,000-$20,000,000	2	9,963,000	13,294,000	1,318,000
Over $20,000,000	12	45,379,000	73,947,000	8,508,000
BY PRODUCT SPECIALTY				
ALL FIRMS				
Commercial and Advertising	37	16,281,000	26,683,000	1,236,000
Magazine and Periodical	24	26,376,000	43,835,000	3,258,000
PROFIT LEADERS				
Commercial and Advertising	5	33,401,000	57,916,000	5,781,000
Magazine and Periodical	8	45,366,000	72,345,000	8,871,000
BY PERCENTAGE OF PAPER SUPPLIED				
ALL FIRMS				
0% To 11%	21	17,763,000	31,871,000	1,848,000
11% To 21%	13	18,387,000	28,686,000	831,000
21% To 41%	6	18,893,000	30,750,000	987,000
41% To 61%	6	42,534,000	69,092,000	6,021,000
Over 61%	5	28,670,000	44,954,000	5,460,000
PROFIT LEADERS				
0% To 11%	3	45,188,000	69,997,000	6,405,000
11% To 21%	2	24,243,000	38,499,000	4,464,000
21% To 41%	2	15,973,000	29,161,000	3,580,000
Over 61%	3	40,677,000	61,415,000	8,772,000

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Unlike the ratios shown in this book, these figures are arithmetic averages. See explanatory note on page 43.

HOW THE NUMBERS ARE COMPUTED

The PIA Ratios are computed by the method of relative or common size. With this method each company's dollars are converted into a percentage to the total. Then these percentages are added in total and within a given sales class. This is a very simple way of avoiding what is known as self-weighting when various magnitudes are involved. With this method each company is given equal weight regardless of their size.

The following example illustrates how this calculation process eliminates the problem of the ratios' giving inordinate weight to the results of very large firms.

			% of Sales	
Firm	Sales	Factory Payroll	Firm's Ratio Factory Payroll	PIA Ratio Factory Payroll
A	$ 200,000	$ 60,000	30.0%	
B	500,000	100,000	20.0	
C	8,000,000	975,000	12.2	
			62.2% divided by 3 = 20.7%	